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it is, a tax on property, without distorting or abusing one of the most precious terms of our science.

No notice of Professor Adams's treatise would be fair that did not call attention to his lucid and interesting chapters on the budget — there is nothing better on this subject in the English language — and to his repeated references to American financial conditions and needs. He has embodied, in a special chapter devoted to the purpose, his suggestions for the reform of the American revenue system, federal, state, and local. On the other hand, it must be regarded a most serious defect of his treatise that so little mention should be made of the revenue systems of the leading European countries. There is a real dearth of matter touching the history and present condition of taxation, such as will seriously limit the instructional value of the work. It is in this regard distinctly inferior to Bastable's book, where the theoretical analysis was well supported by a special book given over to the detailed discussion of the several kinds of taxes. This is equivalent to saying that Adams's work is too theoretical, or, rather that his analyses are too frequently undertaken without presentation of the facts and circumstances to be considered. The office of the science of finance is in a special sense interpretative: to assemble the facts of experience; to interpret these in the light of reason, judgment, and ideals; to extract the deliverances of history; and, on the basis of all this, to point the course of future development — this is the mission of the science.

A. C. MILLER.

La Réforme Monétaire de la Russie. Par ETEOCLE LORINI. (Traduction Française par RAPHAEL LEDOS DE BEAUFORT). Paris: V. Giard & E. Brière, 1898. 8vo, pp. xiii+244.

La Réforme Monétaire de la Russie is an account of Russia's effort to improve her monetary system, and is the result of a mission to Russia undertaken by Professor Lorini under orders from Sig. Luzzatti of the Italian Treasury Department. It is thus an official report and the interest now generally felt as to the outcome of the measures taken by Russia has led to the immediate translation of the book into French.

Professor Lorini has paid little attention to the early history of Russian monetary policy. He scarcely discusses any event dating farther back than 1873, while the history of the twenty years succeeding that date is sketched only in the most general terms. "The

essay," says he, "should not exceed the limits of the problem immediately in hand." The "end in view is purely scientific and objective." In this scientific and non-partisan spirit Professor Lorini takes up the cudgels in good earnest on the side of those who have set on foot the recent measures. Some space is devoted to a discussion of the opinions of opponents which he describes as founded upon "paltry mercantilist notions," "exaggerated Chauvinism" "false calculations based on egotistic individualism," etc. This study of motives leads to an analysis of the policies at the bottom of the measures taken between 1893 and 1897; and in chapters III. and IV. the leading monetary facts of the period are discussed at some length. These, however, are familiar and need not here be recalled. Of more interest is chapter V., which treats of the "fundamental considerations upon which the reform is based" and in which it is sought to justify the transference of the metallic standard from silver to gold. It will be recalled that M. de Witte, the present minister of finance, in announcing a return to specie payments adopted gold as the money of redemption and established arbitrarily an equivalence between gold and the irredeemable paper at the ratio of 1 : 1.50. This ratio represented very nearly what has been the average quotation of the paper in terms of gold for some years past. It was, then, upon these two simple principles—substitution of the gold for the silver standard and adoption of a definite equivalence (less than par) for the paper currency—that the whole operation has been carried out; and it is these principles which Professor Lorini seeks to discuss. The reasons for preferring gold to silver are the same with Russia as with the other countries of the world, and the author's exposition of them need not, therefore, be recapitulated. The selection of the ratio of equivalence requires more attention. There has been much criticism of the action of Russia in thus offering to redeem her paper at two thirds of its face value and Russian statesmen have been accused of adopting a policy of debt evasion. The author is anxious to clear the administration of these aspersions upon its financial honor. After pointing out that the original money of the empire was silver and that the government notes were issued at a time when if redeemable at all they would have been redeemable in silver coin, he argues that they therefore represented a definite amount or volume of silver *bullion*. Hence, if it be decided to redeem in gold rather than silver it is manifestly fair to pay such an amount of gold as would purchase the quantity of silver which the note originally "represented."

This and more than this has been done in the offer of one ruble of gold for every one and one-half rubles in paper. Thus there could be no possible injustice in redeeming at the rate offered. While, however, Professor Lorini's conclusion may be fully accepted, it is impossible to accept the reasoning upon which it is based. It would, for example, be highly absurd to redeem one dollar of our own "greenbacks" in a silver dollar or in a quantity of gold just sufficient to purchase the bullion contained in a silver dollar. Yet this is precisely the reasoning which the author has applied to the case of the Russian rouble. As a matter of history, the paper did not "represent" silver bullion at all. This is shown by the fact which Professor Lorini seems entirely to neglect, that the quotation of the paper ruble rose above that of the silver contained in a silver ruble as early as 1891 before the new projects had taken any definite form whatever. Practically, silver had for a long time dropped completely out of sight. The paper ruble was to all intents the actual monetary unit of the country and was regarded as a promise to pay gold at some indefinite date in the future. The establishment of the equivalence therefore was merely the acceptance of the discounted value of the ruble at the rate which had been established in open market.

Passing by several slips like the foregoing, it is interesting to note in chapter VI the author's views on the existing reserve and the outlook for the future. At this point, after a detailed statement of the gold on hand, he reverts to controversialism. There are, says he, two kinds of doubt currently expressed: (1) Is the gold really on hand? and, (2) if so, how has Russia been able to make such an accumulation? The discussion of the latter point is interesting although far from novel. Professor Lorini points (*a*) to the large domestic production of gold, (*b*) to the recent large gold loans floated abroad, (*c*) to the fact that gold has for some time been required in payment of customs, and (*d*) to the peculiarly fortunate situation of foreign trade and of the budget which, as was the case with Secretary Sherman of the United States Treasury in 1878, have materially assisted the finance minister in acquiring the reserve. The argument on these points seems to be conclusive as to the possibility that the gold may be actually on hand. Faith however is considerably shaken by the jaunty way in which the author resolves the doubts of those who question the truth of the Russian government reports regarding the reserve. He declares that he has himself visited the vaults of the treasury and has "seen" the accu-

mulations to be found there. A more naïve statement could scarcely have been imagined.

The prospect for the future is regarded as excellent if only the present administration continue at the helm. M. de Witte, the author of the reform, is described as a true patriot working only for his country's good and manipulating economic events to suit his needs with wonderful skill. The only difficulty in the way, thinks Professor Lorini, lies in a certain troublesome "law," formulated by one Ricardo, concerning the territorial distribution of the precious metals, but let this vicious principle be once "overcome" and all will be well. The book closes with the discussion of future prospects just outlined. An appendix gives a reprint of some documents and a statistical résumé, as well as an apparently thorough bibliographical essay.

In general it is fair to say that Professor Lorini has thrown little new light upon the Russian monetary reforms. Of the historical evolution of the existing situation he has said nothing and his treatment of current problems is at once confusing to those unacquainted with the subject and useless to any who have made a careful study of it. The work is an obscure and controversial tract where, to judge from the exceptional opportunities the author must have enjoyed, a worthy discussion might have been expected.

H. PARKER WILLIS.

L'achèvement et l'application de la réforme monétaire de la Russie.

Par R. LEDOS DE BEAUFORT. Paris: V. Giard & E. Brière, 1899. 8vo. pp. iv + 43, with 1 plate.

M. DE BEAUFORT has supplemented his translation of Lorini's *La Réforme Monétaire de la Russie* by the present pamphlet, in which he undertakes to give a review of the monetary operations of the Russian Treasury, from the opening of 1897 to the middle of 1898. The monograph is largely made up of extracts from the report of M. de Witte, the Minister of the Russian Treasury, and from the *Bulletin Russe de Statistique et de Législation Financière*, and is therefore a collection of some important bits of material in convenient form rather than an original production.

It will be recalled that the opening of the year 1897 found the Russian Treasury with a large supply of gold and that by the royal order of the 3d of January 1897, an equivalence between gold and the